

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

1. a. Whether there should be additional reimbursement of \$85.00 for date of service, 06/08/01.
- b. The request was received on 03/18/02.

II. EXHIBITS

1. Requestor, Exhibit I:
 - a. Initial Submission of TWCC-60
 1. HCFA-1500
 2. Medical Audit summary/EOB/TWCC 62 form
 3. Reconsideration EOB from the Carrier, dated 02/05/02
 - b. Additional documentation requested on 06/10/02; received on 06/19/02
 1. Position statement
 2. Copy of the Medical Fee Guideline (MFG), DME Ground Rules
 3. Copy of the "D" codes from the 1991 MFG
 - c. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II:
 - a. TWCC 60 and Response to a Request for Dispute Resolution
 - b. Carrier's response statement
 - c. Requestor's position statement
 - d. Copy of the Medical Fee Guideline (MFG), DME Ground Rules
 - e. Copy of the "D" codes from the 1991 MFG
 - f. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day response to the insurance carrier on 06/26/02. Per Rule 133.307 (g) (4) or (5), the carrier representative signed for the copy on 06/27/02. The response from the insurance carrier was received in the Division on 07/09/02. Based on 133.307 (i) the insurance carrier's response is timely.

4. Notice of Medical Dispute is reflected as Exhibit III of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Letter dated 06/13/02

"The disputed issue is that the Carrier has denied the claims for the supplies stating supplies global of rental. We resubmitted the claims to the Carrier requesting reconsideration as the supplies are not included in the rental fee. The Carrier again denied payment stating supplies global to rental. The expected out come of this issue is that we feel the claims should be paid in full."

2. Respondent: Letter dated 07/09/02

"It is clear from the attached excerpt that reimbursement for durable medical equipment is based on whether the equipment is purchased or rented. If a muscle stimulator is rented for \$150.00 a month (D0550), the supplies are clearly global of the \$150.00 fee because "N/A" is listed under rental supplies (D0555). If supplies were not intended to be global of the rental fee, there would be an appropriate amount listed under D0555 for supplies. The provider is only allowed to bill \$85.00 for monthly supplies when the equipment is purchased for \$1050.00.... The (Carrier) maintains our position that the provider has been properly reimbursed for monthly rental of the stimulator unit, which includes the cost of providing non-reusable supplies."

IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only date of service eligible for review is 06/08/01.
2. Per the Requestor's Table of Disputed Services, the Requestor billed the Carrier \$85.00 for services provided on the above date of service.
3. Per the Requestor's Table of Disputed Services, the Carrier paid the Requestor \$0.00 for services provided on the above date of service.
4. The Carrier's initial EOB, dated 08/08/01 deny reimbursement as, "G – UNBUNDLING". Reconsideration EOB from the Carrier, dated 02/05/02, states "O – DENIAL AFTER RECONSIDERATION" with an additional comment of "SUPPLIES ARE GLOBAL OF RENTAL FEE".
5. Per the Requestor's Table of Disputed Services, the Requestor is seeking \$85.00 for services provided on the above date in dispute.

6. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT CODE	BILLED	PAID	EOB Denial Code(s)	MARS	REFERENCE	RATIONALE:
06/08/01	E1399 Initial Supplies	\$85.00	\$0.00	G	DOP	TWCC Rule 133.304 (c); MFG DME GR (IX); CPT Descriptor	<p>The Carrier's initial EOB, dated 08/08/01 denies reimbursement as, "G – UNBUNDLING". This initial EOB does not meet the requirements of TWCC Rule 133.304 (c) regarding explanation of benefits denials. This rule states, "The explanation of benefits shall include the correct payment exception codes required by the Commission's instructions, and shall provide sufficient explanation to allow the sender to understand the reason(s) for the insurance carrier's action(s)." However, Carrier's 02/05/02 reconsideration EOB states "O – DENIAL AFTER RECONSIDERATION" with an additional comment of "SUPPLIES ARE GLOBAL OF RENTAL FEE". This comment provides additional explanation to allow the sender to understand the denial.</p> <p>The Provider has requested dispute resolution for the Carrier's denial of reimbursement for muscle stimulator supplies. In their position statement, the Requestor clearly states the muscle stimulator is being rented, not purchased. Per the 1991 MFG "D" codes, stimulator supplies have no reimbursement values if the unit is rented. Therefore, these supplies would appear to be global to the muscle stimulator rental. No reimbursement is recommended.</p>
Totals		\$85.00	\$0.00				The Requestor is not entitled to reimbursement.

The above Findings and Decision are hereby issued this 23rd day of September 2002.

Denise Terry
Medical Dispute Resolution Officer
Medical Review Division

DT/dt